

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 29

February 23, 2011

SUMMARY OF BILL: Increases the penalty for arson from a Class C to a Class B felony. Requires a mandatory minimum fine of \$25,000 for arson of a place of worship, and \$50,000 for aggravated arson.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$1,506,500/Incarceration*

Assumptions:

- Currently, arson is a Class C felony offense with a sentencing range of three to fifteen years. Arson involving a place of worship is a Class B felony offense with a sentencing range of eight to thirty years.
- According to the Department of Correction (DOC), admissions for arson offenses have averaged 42 in each of the past 10 years.
- According to the U.S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected compound population growth of 11.78 percent over the next 10 years. Population growth will result in an additional five offenders in the tenth year.
- According to DOC, 39.6 percent of offenders will re-offend within two years of their release. A recidivism discount of 39.6 percent has been applied to this estimate to account for the impact of offenders who would re-offend under current law within the additional time added by this bill. It is assumed that the re-offender would have committed the subsequent offense at the same felony level as under current law (47 offenders x 39.6% recidivism discount = 19 offenders).
- According to DOC, the average post-conviction time served for a Class C felony is 3.23 years and 5.66 years for a Class B felony. This bill will result in a person convicted of arson offenses serving an additional 2.43 years (5.66 years – 3.23 years).
- The additional cost of increasing the average sentence length by 2.43 years (887.56 days) is \$53,803.89 (\$60.62 x 887.56 days). The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on 28 offenders (47 – 19) serving additional time on their sentences in the tenth year. The total additional operating cost for 28 offenders is \$1,506,508.92 (\$53,803.89 x 28).

- Based on the Fiscal Review Committee's 2008 study of incarceration costs and fines, collection of fines for felony offenses is negligible. There will not be a significant increase in revenue as a result of the mandatory fines for these offenses.

**Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/lsc